

05.01 Check and Cash Management

I. GENERAL STATEMENT:

Policy and procedures for the handling of cash receipts are designed to provide accountability for funds(cash, checks, donations, and credit card) received in accordance with accepted standards of internal controls. All employees of the College of Education are responsible for complying with the policies and procedures described below. Failure to adhere to these policies and procedures may result in disciplinary action being taken against the employee. The charging of fees or agreements to provide services for compensation are prohibited except with specific knowledge and authorization of the Department Head, the College Administrator, the Budget Office, and the appropriate Vice President. Compliance with these procedures will protect employees and protect the University when being questioned in an audit. The Office of Student Financial Services is responsible for receiving all University moneys after completion of paperwork for reviewing and forwarding on to the University's Bank. Gift receipts will be sent directly to the Treasurer's Office.

NOTE: "Cash Receipts" include currency (U.S. and foreign), checks, traveler's checks, money orders, credit card and debit card charges, and wire transfers.

All employees have an obligation to report any suspected theft, fraud, embezzlement, or any other irregularity causing a loss of cash. Employees who are aware of criminal activity and fail to report it may be subject to disciplinary action. Employees are required to cooperate with any police or audit investigation, and they may be requested to keep their knowledge of the investigation confidential.

II. ADMINISTRATIVE GUIDELINES FOR RECEIVING FUNDS

- A. Cash transactions are routed to the COE Business Office, including donations, gifts or payments.
- B. All persons receiving moneys will strictly adhere to University of Houston Policy and Procedures MAPP 5.01.01.
- C. The following responsibilities and duties are mutually exclusive and are not to be performed by the same employee:
 - 1. Opening the mail for checks / swiping a credit card through machine / receiving cash and issuing a receipt.
 - 2. Preparing the cash deposits.
 - 3. Reviewing and approving the cash deposit.
 - 4. Logging the cash deposits into COE spreadsheet (used as a log).
 - 5. Reconciling the PeopleSoft cost center activity.
- D. All checks must be made payable to the University of Houston.

III. ADMINISTRATIVE PROCESS FOR RECEIVING CASH RECEIPTS

- A. Departments/Centers/Institutes receiving moneys will immediately restrictively endorse all checks For Deposit Only and provide the cost center and account to be credited. A log of all cash receipts must be maintained by each department/ center/

institute receiving moneys to include the following:

1. Name/Customer Name (Name of Remitter)
 2. Purpose
 3. Indicate Pay Mode-either "Check," "Credit Card," or "Cash"
 4. Amount Received
 5. Cost Center Name and 21 or 26 digit number to be credited
 6. Account Code
- B. A Deposit coversheet will be prepared. A hard copy will be hand delivered to the appropriate individual in the COE Business Office. Deposit coversheets will not be accepted if not complete, accurate, and accompanied by two copies of checks, receipts for cash, or the credit card information (name, credit card #, expiration date, signature, if possible, and phone number). One set of copies will be signed and dated by the Business Office staff and given as a receipt to the person preparing the coversheet.
- C. Gifts, if not received in the Development Office, are immediately hand delivered to the appropriate individual in the Development Office. Checks are restrictively endorsed and the appropriate cost center and account to be credited is supplied. Development Office prepares Gift Transmittal and handles deposit.
- D. After the above has been completed, any moneys received totaling \$100.00 or greater must be deposited with Student Financial Services in accordance with cash deposit procedures within one working day of receipt. Student Financial Services shall, in turn, deposit funds with the University bank within one working day of receipt. Amounts less than \$100.00 may be held no longer than five (5) working days prior to deposit in a safe or locked drawer.

IV. ADMINISTRATIVE PROCESS FOR RECEIVING OTHER FUNDS

- A. There may be occasions when donors will visit the College and express a desire to give money. If this should occur, reasonableness and/or courtesy dictate that a check may be accepted without a receipt being issued immediately. The check should be treated as a "mail" receipt, restrictively endorsed For Deposit Only and entered on the appropriate office log at the first opportunity. Currency is never accepted without immediate issuance of a receipt.
- B. All gifts are collected at the COE Development Office. The possible exception to this is when donors send gifts directly to the faculty member or staff member. This procedure will be handled later in the policy under GIFTS.

V. ADMINISTRATIVE PROCESS FOR DEPOSITING FUNDS

- A. How to process a Journal Entry
1. Complete journal entry according to University of Houston guidelines (see Section VI).
 2. Upload back-up documentation to the PeopleSoft journal entry. Retain copies of the back-up documentation, which includes copies of checks, copies of receipts, and/or copies of the batch summary report from credit card terminal.
 3. Foreign drafts, which are those items drawn against foreign banks and requiring presentation to that bank for payment, must be processed on a separate journal. These items can be identified by the lack of transit coding at the bottom of the check.

4. Credit card information is taken to the Treasurer's Office where they process the credit card, and actually charge the credit card. The Treasury Office sends the batch summary report back to the COE representative.
5. A journal entry is prepared and sent to General Accounting for processing.
6. Except for credit card transactions, prepare 2 legible deposit slips with the journal number, bag/tag number, and COE name appearing on the deposit slip. One deposit slip and calculator tape should be locked inside the bag with the money.
7. The following items should be prepared for the University Police to transport to the UH Cashier's office;
 - a. One deposit slip
 - b. Journal coversheet
8. Paper clip multiple deposits together for transport by the University Police. To be kept in COE Business Office:
 - a. Journal coversheet
 - b. One deposit slip
 - c. Copies of backup documentation: receipts, checks or terminal report.
- B. In the event that cash cannot be deposited the same day it is received, the cash will be physically safeguarded in a safe, locked drawer, or locked in a file cabinet until deposited.

VI. HOW TO PREPARE A JOURNAL ENTRY

- A. Long Description - Department name for deposits, (HOO58xxx), General Deposit, Bag #, Extension, and initials of preparer.
- B. Reference Field – 8 digits of bag number
- C. Lines Description - brief description of deposit.
- D. Save - Save and Edit journal to Budget Check.
- E. Print - Go to the "Documents" tab and print 3 copies of the journal.
- F. Complete deposit packets (See Sec. V. 7 and 8) and obtain certifying signatures for each of the 3 packets.

VII. HOW TO PREPARE GIFT TRANSMITTALS

- A. All gifts are routed to the COE Development Office. Gifts that are sent directly to a faculty or staff member are to be given to the COE Development Office within twenty-four (24) hours of receipt of the gift.
- B. All checks received are to be stamped For Deposit Only.
- C. The gift transmittal is approved with the certifying signature.
- D. Complete Gift Transmittal according to University of Houston Guidelines.
- E. One copy of the Gift Transmittal is retained by the College of Education Business Office for reconciliation and permanent filing. The COE Development office retains one copy of the Gift Transmittal.

APPROVALS:

Assistant College Business Administrator
 College Business Administrator
 Dean College of Education
 Senior Vice President for Administration and Finance

VIII. INTERNAL DEPARTMENTALIZED POLICY AND PROCEDURES

Because we are a centralized college, each department within the college will have the same administrative procedures for check and cash management.

IX. COLLEGE MONITORING AND CONTROL MECHANISMS

Every cash, check, credit card, and gift transaction is reviewed and audited for compliance with MAPP and college policy and procedures for check and cash management at the point of approval from a certifying signature authority and through out the transaction process. All financial administrative staff handling check, cash, credit card, and gift are responsible for reviewing from the initiating stage to the final stages of the transaction for accuracy, proper assignment of account codes and cost centers, correct administrative procedures are followed, appropriate levels of approvals and signatures are obtained; and timely handling and management of the funds. If there are issues of non-compliant processes, they are addressed and corrective administrative action is taken immediately to prevent and minimize such occurrences from happening again. Once a month, the college's financial and administrative staff holds a meeting to discuss these non-compliant transactions. Information is provided to them on the frequency of the non-compliant occurrences; explanations of required administrative procedures are then discussed; and sharing and training them on how to proactively and properly address these transactions when they are presented. Departments are held responsible for complying with these guidelines. Failure to do so may and will result in employee disciplinary sanctions which could also include termination.